

CIACO NID 81 [REDACTED]

April 09, 1981

POLAND: [REDACTED]

[REDACTED] -Warsaw
Fact military activity in and around Poland apparently remains at the same level of recent days. The domestic political situation remains calm. Polish media have praised Brezhnev's "foresighted" speech in Prague, and some Polish officials believe it means that the Kania regime has been given more time to deal with the country's problems. Meanwhile, the government has indicated that politically sensitive retail price increases may be implemented this summer. [REDACTED]

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Price Hikes

Warsaw announced on Monday that prices paid by the state for meat and milk will be increased by more than 50 percent this month to stimulate food production. Additional procurement price hikes--for grain, potatoes, and other crops--have been scheduled since last fall and will take effect in July. [REDACTED]

The Polish news agency said that as a consequence, retail food prices might increase after July. The government promised last year to freeze meat prices until this fall. It will now strive to convince the populace and the unions that a retail price rise will be necessary to pay for the higher cost of obtaining agricultural production. [REDACTED]